



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

MAY 29 2002

Anthony Knapp, Treasurer
Motorola Civic Action Campaign Fund
1350 I Street, NW, Suite 400
Washington, DC 20005

Identification Number: C00075341

Reference: Year End Report (7/1/01-12/31/01)

Dear Mr. Knapp:

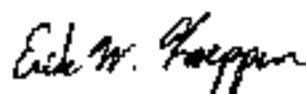
This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule B of your report discloses a transfer(s) to what appears to be a non-federal account of your committee. Please be advised that committees that make disbursements in connection with federal and non-federal elections and have established separate federal and non-federal accounts, must allocate their expenses pursuant to 11 CFR §§106.5 and 106.6. Please provide further clarification regarding this transfer(s). The Commission recommends that you take steps to correct any non-compliance, and that you establish procedures to ensure future compliance with the allocation regulations.

-Schedule A supporting Line 11(a)(i) discloses contributions received through a payroll deduction plan. Generally, a committee's report must identify each contribution from an individual which in the aggregate exceeds \$200 during the calendar year. (2 U.S.C. §434(b)) For your information, instead of separate itemization, a committee using a payroll deduction plan may disclose the aggregate amount of contributions received from the contributor through the payroll deduction plan during the reporting period; the identification of the individual where the contribution exceeds \$200 in the aggregate during the calendar year; and a statement of the amount deducted per pay period. Please refer to the enclosed sample of properly reported payroll deductions. 11 CFR §104.8(b)

A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Erik W. Koeppen
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 300)		Use separate schedule(s) for each category of the Detailed Summary Page		FEC LINE NUMBER		PAGE		OF	
ITEMIZED RECEIPTS				10		11		12	
Any information omitted from both Summary and Statements may not be added or deleted by any person for the purpose of avoiding disbursement or for informational purposes, other than using the name and address of any 501(c)(3) corporation to report contributions from such corporation.									
NAME OF CONTRIBUTOR (or Payer)									
Critical Reason Inc. PAC									
Full Name, Firm, Middle Initial									
A. Name, Individual									
Mailing Address									
3 Critique Ave.									
City									
Kennesaw									
State									
GA									
Zip									
30133									
Date of Receipt									
payroll deduction ^a									
Amount of Each Receipt This Period									
90.00									
(\$15 biweekly) ^a									
Name of Employer									
Critical Reason Inc.									
Position									
Executive Officer									
Aggregate Year-to-Date Y									
285.00									
Receipt For:									
<input type="checkbox"/> Primary <input type="checkbox"/> General									
<input type="checkbox"/> Other (specify Y)									

^aAdding Extra Text/Explanation: When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." Single click (highlight) the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

^aWhen using FECFile electronic filing software, enter this information in the "description" field.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.6(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)

